

# THE ALBERTA MUNICIPAL Counsellor

PUBLISHED BY THE DEPARTMENT OF MUNICIPAL AFFAIRS IN THE INTERESTS OF LOCAL GOVERNMENT

Vol. 9 No. 4

EDMONTON, ALBERTA

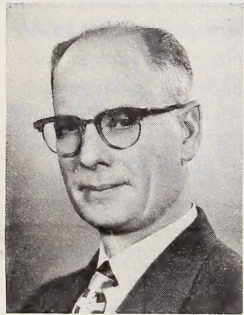
April, 1964

## BEGINNING OF ANOTHER FISCAL YEAR

ROYAL ASSENT GIVEN BILL NO. 1

### 1964-65 BUDGET APPROVED

Bill 1, outlining provisions of The Appropriations Act, 1964, received final approval of the Alberta Legislature March 23 and was given royal assent March 26. The Appropriations Act, 1964, formally authorizes government spending during the 1964-65 fiscal year to the totals as shown, as well as supplementary sums pertaining to previous fiscal years. The amounts are summarized under various schedules listing total expenditures chargeable to income and capital accounts for each of Alberta's fifteen government departments, together with sections for Legislation (\$1,631,715) and Public Debt (\$2,527,600). Expenditures for the 1964-65 fiscal year total \$414,489,844.



HON. E.W. HINMAN the motion of Provincial Treasurer E. W. Hinman, that the Assembly resolve itself into a Committee of Supply. It was in support of his motion that Mr. Hinman delivered his Budget Speech, excerpts of which appear below:

#### OIL AND GAS:

There was increased activity in drilling and development in the oil and gas industry with footage drilled totalling 9.7 million feet compared with 9.1 million feet in the previous year. During the year there were 1770 well completions of which 860 were oil wells, 275 were gas wells, 580 were dry holes and 55 were service wells or suspended operations. As at December 31, 1963, there were 11,436 oil wells capable of production, 1,438 gas wells in operation and an additional 1,466 capped gas wells awaiting markets. Established reserves in the Province totalled 3.8 billion barrels of oil, 33.3 trillion cubic feet of natural gas and 872.8 million barrels of gas liquids. Last year's figures for reserves were 32 trillion cubic feet of gas, 3.6 billion barrels of crude oil and 710 million barrels of the gas condensates. Proven reserves of sulphur keep pace with those of natural gas.

#### MUNICIPAL WINTER WORKS:

Municipalities continue to take full advantage of the benefits  
(To Page 5)

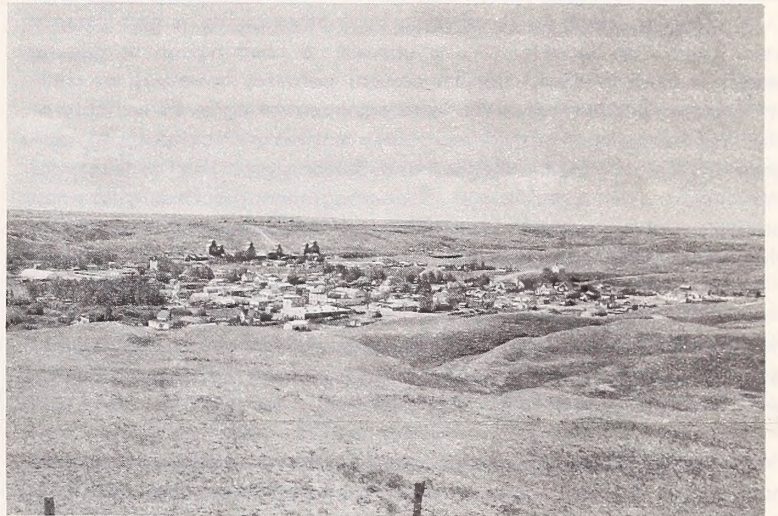
#### NEW STATUS FOR . . .

### FORT SMITH, N.W.T.

Fort Smith, Administrative headquarters of the Mackenzie District in the North West Territories, located on Alberta's northern boundary, became a village on April 1. Officials of the Northern Affairs Department see this as a major step towards full local self-government to the thriving northern community. Under its new status, Fort Smith is administered by a council consisting of three elected and three appointed members. The election was held March 25.

The new council replaces staff members of the Northern Affairs Department who were assisted by a local advisory committee. As in Alberta the function of the committee was purely advisory. At last report the newly-formed village was looking for a secretary-treasurer. (See letter on Page 2).

### VILLAGE OF THE MONTH



PRAIRIE VILLAGE: Carbon lies west of Drumheller and north east of Calgary. Kneehills Creek running through the village from the west (right) was once noted for flooding. In the extreme left is childhood home of Bruce Ramsay, Chief Municipal Inspector, whose mother was Carbon's first school teacher.

### EARLY DAYS OF CARBON

C stands for COAL jutting out in large seams;  
A for AGRICULTURE worked by tractors and teams.  
R stands for RICHES the first two produce,  
B for the BRICKS that will soon be in use.  
O means OPPORTUNITY, yours if you come;  
N is the NUMBER we need and then some.  
The word that contains all these letters in one  
Is the name of a Town that is second to none.

o Board of Trade Letters 1932

Ranchers lived in the Kneehills Creek Valley for many years before the end of the nineteenth century, and about this same time coal was discovered in the creek bed and in the adjoining coulees. The early years were exciting particularly during round-up and branding time. Old horse-ranchers about Calgary tell about lost horses being found in the beautiful valley of the Kneehills Creek where the grass formed a carpet over the whole terrain.

During the early part of the 1900's Kneehills Creek was more like a small river. The big flood in June of 1902 was by far (To Page 8)

### HEALTH, EDUCATION AND WELFARE

The good health of our people has been granted the highest claim on government funds because only in good health are other values significant. Education has been given second place because it forges the keys to open the gates to human progress of every kind. Welfare has attained third priority in spending from income account because it is incumbent upon a rich and professedly Christian province to banish the evils of poverty.

o Budget Speech



THE

SECOND

PAGE . . .

o Loretta Bauer Buckley in Ideals

THE MIRACLE of SPRING

. . . Earth in this glorious season is a child, ecstatic with the zest of living. Hills long covered with the white silence of snow stretch lazily. The horizon that yesterday was wrapped in sombre grey, today is brilliant with scarves of torquoise and gold . Each path, each road and trail awakened to new life becomes an enchanted adventure to those who, like the gypsy, yearn to be off and away.

Age does not matter at all when Spring breaks upon the world. Forgotten in the perfume of myriad flowers is the darkness of Winter, the bough broken by the sharp fingers of frost . Little cares vanish in this green and lovely hour and, like a quaff from an exhilarating cup, the heart suddenly is young again.

This . . . the miracle of Spring!

NOW THAT APRIL'S HERE

This month of April ushering in another spring is also closely associated with budgets . . . as unpoetic a combination as may be readily called to mind. For our present purpose, however, we shall try to confine ourselves to the latter, concentrating as we are able at this time of the year on such mercenary matters as fiscal policies, appropriations, vouchers, cheques and dollar signs. For as surely as April means showers and flowers, it also begins another fiscal year when public policies, together with their attendant costs, are launched on their duly authorized courses.

Referring then to the expenditure of public money, we understand that in 1963 the governments of all local districts in Canada together with our provincial and national governments spent an aggregate sum well in excess of twelve billions of dollars.

We would not have been aware of this impressive fact had we not read of it in an editorial which appeared some time ago in an eastern newspaper. The writer had totalled it up and asked, "Where does it all end?" Then in obvious despair he provided a kind of answer. "Where can it end," he wondered, "save in the collapse of the Canadian economy?"

Now there must be better answers than that . . . and certainly until we have more information than appeared in the editorial we shall not accept such a sombre view. Naturally there is a limit to spending . But in no case should it be based on the mere number of digits making up the total. Looking at our economy, where the gross national product last year reached over 43 billion dollars, the signs of collapse seem to have been well enough disguised. So for the time being at least we cannot share the alarm indicated in our quote.

What the writer may have overlooked is that much of the vast total he's talking about simply changed pockets. Money doesn't necessarily disappear because it is spent. To be sure some of it goes to repay bank loans and so is cancelled out of existence, but it is quickly replaced as new loans are granted. Far from hastening a state of economic collapse, the wise spending of money is the only way to ensure buoyant conditions.

Where money is spent or sent out of Canada it's a different matter, of course. If much of those twelve billion were spent say on American goods without an equal amount coming back in payment for Canadian goods, we would be in real trouble. Much the same thing applies to a municipality. Its economy would be in danger of collapse if the money of its residents were continually drained out of the district without a compensating or equivalent return flow in payment for goods sold.

Look over any budget and it should be clear enough that government spending is one of the major regulators of our economy and by the same token one of its greatest stimulators. Spending on essential public services, limited largely as it is to tax revenues and curbed by built-in public resistance to increased taxation, provided the makings of a fairly stable well-managed economy.

We're suggesting such factors as natural resources (including power), labor supply and skills are of greater significance than the

impressive totals of governmental budgets. After all is said and done these are the basic determinants of what we can or cannot afford. Or whether our economy is in any danger of collapse.

What our editorial writer finds so alarming is, essentially, a system of book-keeping.



THROUGH THE MAIL

Fort Smith, N.W.T.

Editor,  
The Municipal Counsellor

Dear Mr. Cantelon:

Fort Smith will become a village on April 1 of this year and its council, consisting of three elected and three appointed members, will gradually take over most of the local functions except education, welfare, and major capital items. Fort Smith has the finest water system in the Territories, laid down in 1958 in anticipation of future requirements. It is the Administrative Headquarters of the Mackenzie District and has a population just under 2,000. An up-to-date school system takes children up to Grade X11. Fire protection is provided by a 500 gallons-per-minute pumper housed in a new fire hall manned by a volunteer fire brigade.

One of the first items on the agenda of the new Village Council will be the appointment of a secretary-treasurer with experience in this field. I should be very happy if the need were publicized in Alberta.

R. J. Orange,  
Administrator of the Mackenzie

THE CHANGING SCENE

TOWN of BLAIRMORE	Secretary-Treasurer . . . . .	H. Roome
TOWN of INNISFAIL	Mayor . . . . .	S.V. Fox
VILLAGE of BASHAW	Secretary-Treasurer . . . . .	J.B. Olsen
VILLAGE of BENTLEY	Mayor . . . . .	E.A. Calkins
VILLAGE of CRAIGMYLE	Secretary-Treasurer . . . . .	Mrs. I. Hall
VILLAGE of CREMONA	Secretary-Treasurer . . . . .	W. Ward
VILLAGE of LINDEN	Mayor . . . . .	J. Loewen
	Secretary-Treasurer . . . . .	C.J. Harder
	Phone No. . . . .	Acme 2911
PARADISE VALLEY	Mayor . . . . .	T.H. Rayson
	Secretary-Treasurer . . . . .	Mrs. A. Miller
VILLAGE of TORRINGTON	Mayor . . . . .	C.M. Carter
	Secretary-Treasurer . . . . .	A. Helm
	Phone No. . . . .	R 2028

THIS MONTH

The BROAD FIELD of MUNICIPAL AFFAIRS	
By Hon. A.J. Hooke, Minister, DMA . . . . .	3
EXCERPTS from the 1964-65 BUDGET SPEECH	
By Hon. E.W. Hinman, Provincial Treasurer . . . . .	1 and 5
STATISTICS RELATING to SUPERVISION IN 1963	
For Municipal Districts and Counties . . . . .	6
Village of the Month: CARBON . . . . .	1
The Changing Scene . . . . .	2
Secretary's Calendar . . . . .	7
Long in the Service: JAMES HARWOOD . . . . .	8

THE ALBERTA MUNICIPAL COUNSELLOR  
Authorized as second class mail by the Post Office Department,  
Ottawa, and for payment of postage in cash.

Published monthly by the Department of Municipal Affairs, Government of Alberta, for better understanding between persons engaged in the various aspects of local government within the Province. Contents may be reprinted without restriction but a credit line is appreciated. Articles and information about the municipal scene are welcomed and the publication will be mailed without charge upon request. Address enquiries to

The Alberta Municipal Counsellor  
Department of Municipal Affairs  
Edmonton, Alberta





# • THE BROAD FIELD OF MUNICIPAL AFFAIRS

BY HON. A. J. HOOKE, MINISTER, DMA

FROM AN ADDRESS PREPARED BY MR. HOOKE FOR TELEVISION

During the last number of years many changes have been made in the field of municipal administration. About twenty years ago we saw the development of the enlarged school units, followed by enlarged areas for municipal administration. Today the little single room school has, to all intents and purposes, disappeared and in its place all over the Province we find the centralized school bringing to boys and girls as nearly as is possible the same educational opportunities provided to those living in our urban centres.

The enlarged unit of municipal administration has made it possible to provide much better roads and better development of road building programs than could have been the case under the small unit of administration. When the boundaries of the enlarged school division and the enlarged municipal area were made co-terminous about 13 years ago enabled the development in these areas of one government for all local purposes. Such a system, known as the county system, has shown over the years, by an overwhelming vote of the people concerned, its superiority over the dual system where one local government takes care of roads, etc., and another one education.

On January 1st of this year three new counties came into being bringing the total now to 26. This means that well over half of the rural areas of Alberta enjoying self-government is being administered under the county system. Of the 22 municipal districts which remain four, on account of their isolation, are too small for any change for a long time; 4 others are not entirely co-terminous with the school divisions as yet, so that in effect, only fourteen co-terminous units remain under the dual form of government.

## TAXES ON PROPERTY:

Property taxes have, over the last eight years particularly, received a great deal of study by the Government. While undoubtedly many arguments can be advanced both for and against property taxation, it is a form of taxation which is in effect and has been for centuries all over the civilized world. As everyone knows, an assessment is made on property against which a mill rate is levied by the municipality. This tax, varying from year to year, is collected from the property owner.

To assist municipalities and school boards in meeting their obligations, the provincial governments pay grants of one kind or another. It is interesting to note the development of these grants in our own Province.

Going back to 1935, total grants paid to our school boards, municipalities and hospitals did not exceed a total of three million dollars. Between then and now, many costs which used to be municipal have been taken over entirely, in many cases, and particularly in some cases, by the Provincial Government and in addition to the sums thus spent by the Government for these services, out and out direct grants have increased to the place where the total in any one year for at least the last six years has been equal to the entire provincial budget for about six years before that.

To put this in other words, it actually means that if the trend continues, by the year 1970 grants from the Province to the municipalities, school boards and hospital boards would be somewhere between 375 and 400 million dollars -- a staggering sum.

To make sure that the government is treating one municipality or school board in exactly the same way it is treating every other one, formulas have been devised which ensure as nearly as possible the carrying out of this result.

I am sure every Albertan, in travelling throughout the length and breadth of Alberta, has been struck by the fact that a lowly assessed area, such as can be seen in outlying points, is just as well served with roads, schools and hospitals as is a highly assessed area close to our major cities.

In 1958, when the hospital program came in and in 1961 when the school foundation program was applied, it became absolutely necessary to see that all property assessments in the Province were completely fair and equitable. For hospital and school purposes, municipalities

are asked to contribute to a fund. Into the same fund the Provincial government pours millions of dollars and out of the fund almost the entire costs of hospitalization and education are paid. This has given rise to what has become known as equalized assessment throughout Alberta.

## EQUALIZED ASSESSMENT:

As Minister of Municipal Affairs I find myself called upon quite frequently to explain to a ratepayer what is meant by equalized assessment. The ratepayer knows, for instance, that his municipality pays into the aforementioned fund 4 mills on equalized assessment for hospitalization and 32 mills for education. He looks at his own tax notice and finds, perhaps, that the rate applied against his assessment is only 2 or 3 mills for hospitalization and perhaps 25 mills for education or it might be that the figures exceed 4 and 32. This immediately suggests to him that there must be something he does not quite understand about assessment when he checks with his neighbor who lives across the line in an adjoining municipality and finds that his rates differ again.

Over the years when an assessment has been made in a municipality, the assessor has taken as the basis of costs when assessing buildings and other improvements, the costs which pertain in a particular year. Just as an illustration we might say the year 1940. This basis often has remained in effect in a municipality for many years, as general assessments are not made for a number of years. Another municipality might use, for example, the year 1945 or 1948 as the case might be and it is easy to see, knowing how construction costs increased during those years, that an assessment on two comparable pieces of property or even the same property would differ, the assessment in the later years being higher. It would not be fair, therefore, to ask the owner whose property had been recently assessed for 4 mills and 32 mills and one whose property had not been re-assessed for a number of years for a like contribution.

The Department of Municipal Affairs, therefore, before calling upon a municipality for the 4 mills and 32 mills upon its equalized assessment, secures from the municipality a complete breakdown of the assessment that municipality was using. The replacement cost year used by the Department for equalizing of assessments was the year 1945/1946, the one which, incidentally, was being used for local assessment purposes by our two major cities.

Having secured from available tables the relationship between building costs for that year with building costs for other years, it is a simple matter to convert every municipal assessment to a figure which is completely equitable with that of every other municipality. Each municipality is then to contribute to the foundation fund of the Province 4 mills for hospitalization and 32 mills for education.

A hypothetical case might be as follows: A municipality's total assessment could be four million dollars. Because they have used in their own assessment a different year of building costs than 1945/46, the equalized assessment would be 3 million dollars. This means that the municipality would contribute 4 times 3 million dollars, or \$12,000, to the hospital fund and 32 times 3 million dollars, or \$96,000, to the education fund. The municipality, however, would raise the \$12,000 on the 4 million assessment, which means that there would appear on the individual's tax notice a figure of three mills rather than 4, and for educational purposes a figure of 24 mills rather than 32.

During the last three or four years many municipalities have re-assessed on the basis of what is known as the New Manual of Assessments, which uses for its replacement cost year the year 1957. Actual assessment, therefore, has greatly increased. It has been our desire as a Government for a long time to get to the place where actual assessment and equalized assessment shall be the same figure and commencing in this year the New Manual will be used for equalized assessment.

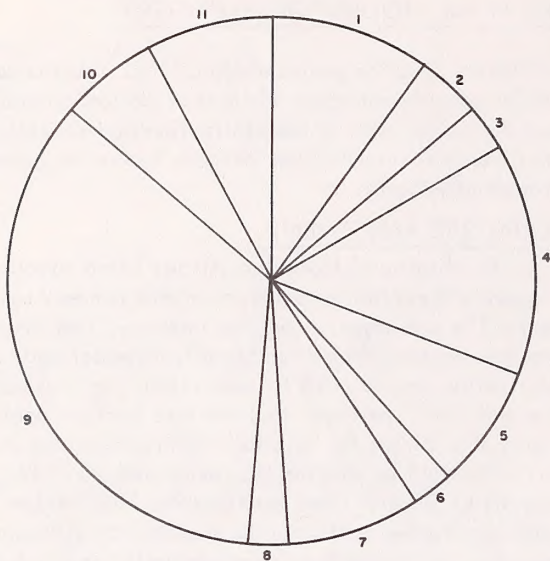
Last year the equalized assessment amounted to exactly one billion, eight hundred million dollars and this year, owing to two factors (the application of the New Manual and the natural growth of our Province) total equalized assessment will approximate (To Page 7)



ALBERTA'S 1964-65 BUDGET SUMMARIZED

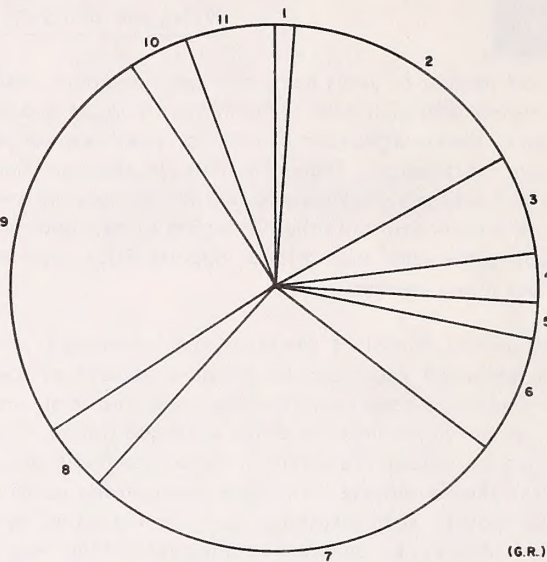
INCOME . . .

. . . OUTGO



ESTIMATED REVENUE

1 FUEL OIL TAX	\$ 40,000,000	9.65 %
2 MOTOR VEHICLE BRANCH	15,866,000	3.82 %
3 TAX SHARING & SUBSIDIES	10,690,000	2.58 %
4 ALBERTA INCOME TAX ACT	59,150,000	14.27 %
5 HOSPITALIZATION (FED.)	31,500,000	7.60 %
6 HOSPITALIZATION (MUN.)	9,600,000	2.32 %
7 TREASURY EARNINGS & REPAYMENTS	33,236,250	8.02 %
8 LANDS & FORESTS	9,025,000	2.18 %
9 MINES & MINERALS	145,194,500	35.03 %
10 A.L.C.B. PROFITS	26,500,000	6.39 %
11 OTHERS SOURCES	31,012,575	7.48 %
TOTAL REVENUE 411,774,325 — 99.34 %		
ESTIMATED DEFICIT 2,715,519 .66 %		
TOTAL BUDGET \$ 414,489,844 100 %		



ESTIMATED EXPENDITURE

1 PUBLIC DEBT	\$ 2,527,600	.61 %
2 * HIGHWAYS & BRIDGES	64,350,540	15.53 %
3 * PUBLIC WORKS	25,507,440	6.15 %
4 * LANDS & FORESTS	12,270,350	2.96 %
5 * AGRICULTURE SERVICE	9,138,595	2.21 %
6 * PUBLIC WELFARE	29,683,975	7.16 %
7 * PUBLIC HEALTH	109,166,100	26.34 %
8 MUN. ASSISTANCE	16,500,000	3.98 %
9 * EDUCATION	104,028,960	25.10 %
10 * ATTORNEY GENERALS DEPT	13,402,860	3.23 %
11 OTHERS	27,913,424	6.73 %
TOTAL EXPENDITURE		
* INCOME & CAPITAL \$ 414,489,844 — 100 %		
** INCLUDES EXPENDITURES UNDER P.W. VOTE		
*** TOTAL P.W. VOTE \$ 46,196,740		

PROVINCIAL ASSISTANCE TO MUNICIPALITIES  
FOR THE FIFTEEN YEARS ENDING MARCH 31, 1951 TO MARCH 31, 1965

DIRECT FINANCIAL ASSISTANCE

	Total 12 years Apr. 1/50 to Mar. 31/62 Actual	1962-63 Actual	1963-64 Revised Estimate	1964-65 Estimated	Total 15 Years
1. Education:					
Operational Grants to Schools	\$310,340,927	\$ 57,234,453	\$ 63,000,000	\$ 71,000,000	\$ 501,575,380
Construction Grants to Schools	82,356,062	8,615,470	2,036,169		93,007,701
Construction Grants to Technical Schools (net)		7,416,456	4,095,957	500,000	12,012,413
Grants to Teachers' Retirement Fund	4,410,030				4,410,030
2. Public Health:					
Hospital Construction Grants	7,735,336	1,288,007	2,468,000	3,000,000	14,491,343
Health Service Grants	3,616,917	712,264	1,074,100	1,002,000	6,405,281
3. Highways:					
Grants for roads, bridges and other structures	125,607,448	15,945,076	15,550,000	18,380,000	175,482,524
4. Treasury:					
Grants in lieu of taxes	946,188	1,403,891	1,500,000	1,600,000	5,450,079
Municipal Assistance Grants	116,451,166	15,000,000	15,000,000	16,500,000	162,951,166
Grants to Police Stations	625,903	123,182	324,500	166,000	1,239,585
5. Attorney General's Department:					
Remission of fines collected under the Alberta Liquor Act	1,682,760	225,336	220,000	260,000	2,388,096
6. Public Welfare:					
Indigent Relief	18,239,831	2,479,882	2,750,000	2,750,000	26,219,713
7. Lands and Forests Department:					
Refunds of cultivation and grazing leases	4,263,604	733,783	596,400	600,000	6,193,787
8. Provincial Secretary:					
Recreational Grants	2,335,357	906,071	600,000	375,000	4,216,428
9. Municipal Affairs:					
Winter Works Incentive Program	2,945,465	1,243,571	1,680,000	1,840,000	7,709,036
TOTAL: Direct Financial Assistance	\$681,556,994	\$113,327,442	\$110,895,126	\$117,973,000	\$1,023,752,562

INDIRECT FINANCIAL ASSISTANCE:

General Hospitalization for all residents and medical services for Pensioners, Polio, Cancer, etc.	\$210,936,768	\$ 36,324,318	\$ 49,280,330	\$ 55,730,412	\$ 352,271,828
TOTAL: Direct and Indirect Financial Assistance	\$892,493,762	\$149,651,760	\$160,175,456	\$173,703,412	\$1,376,024,390

ASSISTANCE BY LOANS

1. Self Liquidating Projects Act	\$ 21,994,279				\$ 21,994,279
2. Municipal Capital Expenditure Loans Act	125,000,000				125,000,000
3. Other Municipal Loans	66,813,072	123,900	224,000	132,000	67,292,972
4. School Construction Loans	82,638,963				82,638,963
TOTAL: Assistance by loans	\$296,446,314	\$ 123,900	\$ 224,000	\$ 132,000	\$ 296,926,214



1964 - 65 BUDGET APPROVED

(From Page 1)

derived under the Municipal Winter Works Incentive Program. Again the total value of work for the 1963-64 program year will total \$25,000,000 with savings of \$5,250,000 to be earned, of which the Federal Government will contribute \$3,500,000 while \$1,750,000 will be paid by the Provincial Government. It is estimated that 10,000 men will be employed for a total of 420,000 man days under this program.

\* \* \* \*

DEPARTMENT OF AGRICULTURE:

The joint program of agricultural rehabilitation and development is gaining momentum. Meetings have been held between Federal and Provincial officials and an interim program to cost more than six million dollars through 1965 has been drawn up. This program will embrace the development of planned land utilization, management of soil and crops, and conservation of water resources. The need of conserving and utilizing water resources in Western Canada is becoming so urgent that ARDA will devote considerable time and expense to this important phase of its activities. Several branches of the Department of Agriculture are working with the ARDA scheme, and ample funds have been appropriated to carry out their planned activities through a cost sharing arrangement with the Federal Government.

\* \* \* \*

DEPARTMENT OF EDUCATION:

The cost of education continues to rise. The main reason lies in the increasing number of pupils with a corresponding increase in the number of teachers. The number of pupils increased to 326,457 in 1963 from 312,684 in 1962, and the number of teachers to 13,988 from 13,342. Operating cost per pupil rose from \$369.32 to \$381.28 during the same period.

The total estimated expenditure for the Department of Education is \$94,789,360 which is 27.52% of the total estimated expenditures on income account. The Government's contribution to the School Foundation Fund is expected to be \$71,530,000 an increase of \$8,530,000 over the amount provided for the present year. The peak construction of technical schools has been passed, and we have provided a reduced amount of \$2,000,000 to complete those projects presently underway. Seventy-five percent of this amount will be reimbursed by the Federal Government.

The Northern Alberta Institute of Technology in Edmonton is now in operation and together with the Southern Institute of Technology in Calgary provides tuition for upwards of 15,000 vocational students. To operate these schools we have included in the estimates a sum of \$3,913,800 which is partly refundable from the Federal Government.

Through the Queen Elizabeth Fund there will be increased assistance to students in higher education from an appropriation of \$1,908,140 for the year compared with \$1,545,650 provided last year. The Correspondence School will continue to provide courses for more than 11,000 elementary, junior and Senior high school pupils at a cost of \$801,550. Further substantial sums have been provided to reduce the cost of text books for students, and to assist with cost of supervision and administration of schools.

It is anticipated that next year there will be 9,300 full time students enrolled at the University of Alberta in Edmonton and 2,400 at the University in Calgary. In addition more than 4,500 students will attend summer courses, 2,200 will take evening classes, and approximately 800 will take advantage of part-time courses offered. We have provided an appropriation of \$14,600,000 towards the operation of both Universities, \$3,600,000 more than the amount provided last year. For the first time affiliated Junior colleges will qualify for grants from the appropriation for Colleges and Universities.

The extensive construction program on both University campuses will be continued by the Department of Public Works next year. A total amount of \$8,962,500 has been included for many University buildings including the Household Economics and Chemical Petroleum Engineering buildings in Edmonton, and Calgary Hall and the Sciences Complex in Calgary. An additional amount of \$277,100 will be spent on construction at the Provincial Institutes of Technology.

\* \* \* \*

PUBLIC SERVICE PENSIONS:

The Public Service Pension Board operates within the vote for the Executive Council. This Board administers with Public Service Pension Fund, the Temporary Employees Retirement Fund and the Local Authorities Pension Fund. Contributions to revenue from these funds

are expected to total \$7,400,000 while pension payments will require \$4,265,000.

\* \* \* \*

DEPARTMENT of MUNICIPAL AFFAIRS:

Activity under the Municipal Winter Works Incentive Program continues to increase with more municipalities participating to take advantage of the grants from the senior governments and to provide employment during the winter season. The appropriation for grants has been increased by \$500,000 to \$5,500,000 which will pay for three-quarters of the labor costs of approved projects. The Federal Government will reimburse the Province for two-thirds of these expenditures which will amount to \$3,660,000.

The Department will continue to give assistance and supervision in the assessments of municipalities at an estimated cost of \$1,113,130.

The main revenue source of this Department is the 4 mills levied on equalized assessments in the municipalities to cover their share of the costs of the Province's Hospitalization Scheme. The rate remains the same this year but the anticipated revenue from this source set at \$9,600,000 is seen to be over 2 1/2 millions higher this year due to an upward revision of the equalized assessment to which the rate is applied.

\* \* \* \*

PUBLIC DEBT:

Our funded debt amounted to \$19,654,065 as at December 31, 1963, a decrease of \$2,034,408 from a year ago. Our guaranteed debt increased by \$79,784,822 to \$393,128,509, made up mostly of borrowings by the Alberta Government Telephones Commission and the Alberta Municipal Financing Corporation.

Our main investments at March 31, 1963 amounted to \$424,876,000, some \$10,000,000 more than the amount at March 31, 1962. These are investments of \$248,982,000 in bonds of our municipalities, school boards, hospital boards, rural electrification associations and the Alberta Government Telephones Commission and \$175,894,000 in cash and Federal and Provincial debentures.

\* \* \* \*

DEPARTMENT of PUBLIC HEALTH:

The Alberta Medical Plan commenced operations on October 1, 1963, and to date approximately one-half of the number of persons estimated to be eligible are covered. An amount of \$2,830,800 has been provided to pay for the Government's assistance for those persons who are to benefit under the plan.

Under the Alberta Hospitalization Plan payments are made to hospitals for approved operating costs, for renovations and equipment and for interest and principal payments on capital debt. With new auxiliary and active treatment hospitals coming into operation and with increased operating costs, substantial additional funds are required to pay for the plan. The cost is estimated to be \$75,970,000 which is \$12,853,700 more than the amount estimated last year. Approximately 40% of this cost will be refunded by the Federal Government which accounts for \$31,500,000 included in the revenue estimates.

\* \* \* \*

DEPARTMENT of PUBLIC WELFARE:

The Government is continuing its policy of gearing public assistance to the individual needs of the recipients. There will be twenty-seven regional offices situated throughout the Province each staffed with persons selected for their training, experience and ability to assess the welfare needs of the people of the area and administer properly the program of the Department. The increased rates of Federal payments to pension recipients have been taken into account in our payments under shared programs. Child welfare which will continue to be the Department's responsibility is properly provided for in the estimates.

The estimated gross amount of welfare to be paid in the Province next year is \$41,809,875, against which we apply Federal reimbursements to bring the Department's net cost down to \$26,787,475.

\* \* \* \*

MUNICIPAL ASSISTANCE:

Total assistance to be made directly and indirectly is estimated to be \$173,703,412 for next year, an increase of \$13,527,956

(To Page 8)

LEST WE FORGET

Under these beneficent circumstances we need to remind ourselves that "Pride goeth before a fall," that it is often the case that in affluence confidence becomes conceit, humility gives way to smugness, charity is vanquished by avarice, self esteem supersedes the love of neighbor, cupidity sponsors stupidity, integrity is eroded by the tolerance of sharp practice and the destiny of a people once glorious in prospect becomes inglorious in retrospect.

o Budget Speech



STATISTICS RELATING TO SUPERVISION IN 1963  
FOR MUNICIPAL DISTRICTS . . .

M.D. No.	Name	No. Ctrs.	Total Number of Days Supervision	Total Mileage	Total Payable to Councillors	Average Paid Per Councillor	Average Number of Days Per Councillor	Average Number Miles Travelled Per Councillor	Improved Road Mileage	Average Improved Mileage in M.D. Supervised Per Councillor
6	Cardston	7	102.5	7,599	\$ 2,449.22	\$ 349.89	14.64	1,085.57	901.00	128.71
9	Pincher Creek	5	93	7,557	2,311.54	462.31	18.60	1,511.40	950.10	190.02
14	Taber	7	79	3,725	1,632.00	233.15	11.29	532.14	1,200.20	171.46
25	Lethbridge	7	242.75	20,098	6,053.01	864.71	34.68	2,871.14	1,403.50	200.50
26	Willow Creek	7	205	16,640	5,052.72	721.82	29.29	2,377.14	1,933.25	276.18
31	Foothills	7	280	18,150	6,378.00	911.14	40.00	2,592.86	1,386.00	198.00
34	Acadia	6	29	1,730	555.60	92.60	4.83	288.33	272.00	45.33
44	Rocky View	7	280	44,015	9,481.80	1,354.54	40.00	6,287.86	1,871.25	267.32
47	Starland	5	145	15,100	3,552.00	710.40	29.00	3,020.00	1,168.75	233.75
48	Kneehill	7	183	10,738	4,033.56	576.22	26.14	1,534.00	1,413.00	201.86
52	Provost	7	134.5	9,700	3,181.50	454.50	19.21	1,385.71	1,830.00	261.43
61	Wainwright	7	114.5	10,020	2,918.65	416.95	16.36	1,431.43	1,432.00	204.57
62	Flagstaff	7	280	23,860	7,063.20	1,009.03	40.00	3,408.57	1,762.50	251.79
71	Vermilion River	7	222.5	16,212	5,206.38	743.77	31.79	2,316.00	1,832.00	261.71
72	Minburn	7	269.75	25,450	7,100.25	1,014.32	38.54	3,635.71	1,775.00	253.71
75	Leduc	7	280	59,668	11,360.16	1,622.88	40.00	8,524.00	1,727.00	246.71
82	Lamont	5	190.5	11,441	4,230.42	846.08	38.10	2,288.20	1,275.00	255.00
84	Stony Plain	5	136.5	8,254	3,037.98	607.60	27.30	1,650.80	1,070.25	214.05
87	Bonnyville	7	259.5	14,320	5,610.90	801.56	37.07	2,045.71	1,050.00	150.00
92	Westlock	7	273.5	29,640	7,659.30	1,094.19	39.07	4,234.29	1,236.00	176.57
93	Lac Ste Anne	5	199.5	17,589	5,103.18	1,020.64	39.90	3,517.80	1,206.00	241.20
130	Smoky River	5	200	22,000	5,640.00	1,128.00	40.00	4,400.00	1,081.00	216.20
133	Spirit River	4	80	2,250	1,470.00	367.50	20.00	562.50	393.00	98.25
135	Peace	6	120	4,800	2,376.00	396.00	20.00	800.00	441.00	73.50
136	Fairview	6	90	3,600	1,782.00	297.00	15.00	600.00	537.00	89.50
TOTALS:		157	4,490	404,156	\$115,239.37				31,486.80	
AVERAGE PER MUNICIPALITY:			179.6	16,166.24	\$4,609.57				1,259.47	
AVERAGE PER COUNCILLOR:						\$ 734.01	28.60	2,574.24		200.55
HIGHEST:			280	59,668	\$ 11,360.16	\$1,622.88	40.00	8,524.00	1,832.00	261.71
LOWEST:			29	1,730	\$ 555.60	\$ 92.60	4.83	288.33	272.00	45.33

SOURCE: 1963 FINANCIAL STATEMENTS

. . . AND FOR COUNTIES

County No.	Name	No. Ctrs.	Total Number of Days Supervision	Total Mileage	Total Payable to Councillors	Average Paid Per Councillor	Average Number of Days Per Councillor	Number of Miles Travelled Per Councillor	Improved Road Mileage	Improved Mileage in Co. Supervised Per Councillor
1	Grande Prairie	11 (6)	63.5	4,822	\$ 1,531.18	\$ 255.20	10.58	803.67	2,609.50	434.92
2	Vulcan	11 (5)	51.5	4,635	1,328.70	265.74	10.30	927.00	2,435.75	487.15
3	Ponoka	7	212.25	12,439	3,790.90	541.56	30.32	1,777.00	1,508.50	215.50
4	Newell	9	173	12,475	3,842.50	426.94	19.22	1,386.11	1,504.00	167.11
5	Warner	9	112.75	8,572	2,719.89	302.21	12.53	952.44	1,610.10	178.90
6	Stettler	9	153.5	9,198	3,224.30	358.26	17.06	1,022.00	1,921.00	213.44
7	Thorhild	7	202.25	12,954	4,588.23	655.46	28.89	1,850.57	1,231.25	175.89
8	Forty Mile	9 (5)	31	3,734	913.08	182.62	6.20	746.80	2,174.00	434.80
9	Beaver	7	266	17,110	6,043.20	863.31	38.00	2,444.29	1,301.50	185.93
10	Wetaskiwin	7	250	17,264	5,821.68	831.67	35.71	2,466.29	1,048.00	149.71
11	Barrhead	7	213.25	14,099	4,895.73	699.39	30.46	2,014.14	824.50	117.79
12	Athabasca	9	272.75	19,656	6,449.97	716.66	30.31	2,184.00	1,388.00	154.22
13	Smoky Lake	7	262	21,142	6,467.04	923.86	37.43	3,020.29	902.00	128.86
14	Lacombe	7	144.2	9,315	3,280.55	468.65	20.60	1,330.71	1,460.25	208.61
15	Sturgeon	7	194	9,194	4,013.28	573.33	27.71	1,313.43	1,277.00	182.43
16	Wheatland	7	224.25	22,808	6,100.71	871.53	32.04	3,258.29	1,648.00	235.43
17	Mountain View	7	248	33,265.5	7,711.86	1,101.69	35.43	4,752.21	1,945.75	277.96
18	Paintearth	7	43.75	2,530	959.85	137.12	6.25	361.43	1,450.00	207.14
19	St. Paul	7	280	31,876	8,025.12	1,146.45	40.00	4,553.71	1,016.50	145.21
20	Strathcona	5	200	6,994	3,839.28	767.86	40.00	1,398.80	913.00	182.60
21	Two Hills	7	261	18,556	6,141.72	877.39	37.29	2,650.86	1,203.00	171.86
22	Camrose	7	280	34,052	8,286.24	1,183.75	40.00	4,864.57	1,829.00	261.29
23	Red Deer	7	269	24,726	7,002.12	1,000.30	38.43	3,532.29	1,928.00	275.43
TOTALS:		177 (162)	4,407.95	351,416.5	\$106,977.13				35,128.60	
AVERAGE PER COUNTY:			191.65	15,278.98	\$4,651.18				1,527.33	
AVERAGE PER COUNCILLOR:						\$ 660.35	27.21	2,169.24		216.92
HIGHEST:			280	33,265.5	\$ 8,025.12	\$1,183.75	40.00	4,752.21	2,609.50	487.15
LOWEST:			31	3,734	\$ 913.08	\$ 137.12	6.20	361.43	824.50	117.79



two billion, five hundred million. Our hospital care program having been enlarged, the 4 mill levy will still be used for hospital purposes, but as far as education is concerned, it is now possible to reduce the requisitioning mill rate from 32 to 26.

#### MUNICIPALITIES' ASSISTANCE GRANT:

Another topic I would like to discuss with you for a few minutes is that of the Municipalities' Assistance Grant.

This is a grant which has been made by governments to municipalities every year since 1951 and is in no way related to any of their expenditures. To use a common expression, it is a grant which has no strings attached to it, in that the municipality may use it for any purpose it may see fit. If it wishes to spend the money on roads, it may; or on hospitals or on education. If it wishes to use the grant in a general way to reduce its own mill rate, it may do so.

In that year the Government decided that the total to be paid out would be one-half the gasoline tax revenue of the Province, the total gasoline tax at the time being slightly in excess of nine millions of dollars. The first amount paid out was four million, six hundred and sixty-five thousand dollars. In order to devise the formula for the distribution of the grant, three factors were taken into consideration: total population; population per township; and per capita assessment.

Without going into details, this simply means that a municipality having a large population, a high density population and a high assessment per capita would receive less on a straight per capita basis than would a municipality having a sparse population, a low density of population and a low per capita assessment.

By 1958 half of the gasoline tax has increased from four million six to slightly over 11 millions of dollars. The Government that year decided to change the basis and instead of pegging the total grant to any special revenue, increased the total payment to 15 millions of dollars and has paid this sum to the municipalities on the same basis ever since.

In the interim, gasoline tax revenues have increased to the place where 15 millions is not now equal to half the total revenue. The result, of course, is that the municipalities have asked the government to review this figure and, if possible, to increase the total beyond 15 millions of dollars. This the Government has done and in the budget now before the Legislature, the sum of 16 1/2 millions of dollars is being voted for this purpose.

In looking for a basis upon which the total should be calculated, the Government decided that a per capita amount basis upon the annual census of the Province would be perfectly fair. With our constant increase in population, this method guarantees an increase each year in the total amount to be voted.

Between 1951 and 1958, the grant varied on a per capita basis between just over \$12 when it started in 1951 to just under \$11 in 1963. The figure chosen by the Government is now \$12 per capita; hence the total of 16 1/2 millions, based upon our population in 1963. This sum will therefore be paid during the year 1964 and we shall expect the vote next year to be \$12 per capita, multiplied by the December 1964 census of the Province, that total to be paid in 1965. The amount paid to each municipality will still be based on the formula I explained a few minutes ago.

#### LOCAL SELF-GOVERNMENT:

I think it can truly be said that local self-government is the one with which our people are most familiar and is actually the one which is closest to them at all times. In addition to the major programs they administer, such as health, education and road construction, it is also

#### YESTERDAY, TODAY AND TOMORROW

There are two days in every week about which it is useless to worry.

One is yesterday with its mistakes and cares, its faults and blunders.

The other is tomorrow. It too is beyond our control. Tomorrow's sun will rise either in splendor or behind a mask of clouds . . . but it will rise.

That leaves today. And usually our present trials are easier to bear than remorse for what happened yesterday, or dread of what tomorrow may bring.

Let us, therefore, journey but one day at a time.

## SECRETARY'S CALENDAR



FOR MAY

### Municipal District Act

5th - Within 5 days after the end of each month the secretary-treasurer shall prepare a statement of monies received and their disposition, submit to council at next meeting and enter a copy in the minutes. Sec. 61(v).

May 1 - New discount by-laws or amendments thereto must be passed prior to this date to be effective. Sec. 350.

Secretary-treasurer shall prepare and mail tax notices as soon as practicable. Sec. 347.

Secretary-treasurer shall prepare a statement of Provincial Grants and mail them with tax notices. Sec. 347a.

### Town and Village Act

15th - Secretary-treasurer shall prepare a statement of monies received and their disposition, submit to council at next meeting and enter a copy in the minutes. Sec. 67(r).

May 1 - New discount by-laws or amendments thereto must be passed prior to this date to be effective. Sec. 374.

Secretary-treasurer shall prepare tax roll on or before September 1 and mail tax notices. Sec. 368 and 370.

Secretary-treasurer shall prepare a statement of Provincial Grants and mail them with the tax notices. Sec. 370a.

### Tax Recovery Act

Public tax sale shall be held before the expiry of three years but not before the expiry of one year from the first day of April of the year that tax recovery notification was registered. Sec. 9.

E. J. B. ●

our local councillor who takes care of garbage collections, catching the stray dogs and cats and the multitudinous number of things each and every one of us can think of. The sums of money these men and women are called upon to administer far exceeds anything we could have dreamed of a few years ago.

In 1936, for instance, the total provincial budget was less than 20 millions. By 1943, the total provincial budget was less than 21 millions. Imagine that being only 20 years ago! Today, our larger municipalities are administering more money than that, the budget of the City of Edmonton this year being about 54 million, 370 thousand.

#### ADVISORY COMMITTEES:

Your Government is a strong believer in local administration and is building up in areas not yet ready for full local self-government what might be construed as a new form of government for local districts.

At present there are about 49 local improvement districts in Alberta, all of them being in outlining areas, where population is sparse and assessment is low. For the last 5 or 6 years, the Department of Municipal Affairs, which directly administers these areas, has attempted to hold ratepayers' meetings once a year to make these people fully aware of the monies collected from them, granted to them and spent on their behalf for local purposes. In order that they themselves may have more direct control of these matters, we have asked the people to establish advisory committees and to date 16 local improvement districts are thus represented. These men sit down with the District Agriculturist, the road engineer, the school trustee and the departmental officials who assist in the laying out of municipal and other programs pertaining to their areas. Interest in these communities is extremely keen wherever they have been established and today in those which have been established for 4 or 5 years, the services being rendered are on a par with those being given in our more populated and more wealthy self-governed districts. Last year these committees met in convention in Edmonton, where they sat for several days and discussed problems common in all local improvement districts and received instruction and help from municipal, educational, and health and welfare officials. Their second such convention is being held this month.

Your Government is determined to make local self-government in this Province second to none in Canada. ●



## LONG IN THE SERVICE

Residents and ratepayers of Wheatland County No. 16 may be excused if they continue to refer to James Harwood as Councillor, for although he retired last September from his duties on the county council, he has been in municipal service since 1935. Such an association covering a period of 28 years is not easily broken.



In October, they gave Mr. and Mrs. Jim Harwood a banquet in Strathmore to mark the occasion of his retirement. During the evening, Reeve T. Chamberlain called upon John A. MacArthur, a fellow veteran and longtime associate of Mr. Harwood, to review the many years they served their community together. After reminiscences from many of the present council members, Mr. and Mrs. Harwood were presented with beautiful gifts, one of which was a mantel clock, suitably inscribed "Jim Harwood - 1935 - 1963 - County of

JAMES HARWOOD  
Wheatland No. 16".

In his reply, Mr. Harwood expressed his pleasure at having worked with councillors of the past and the present. He also thanked the various members of the office staff over the years, as well as the construction and maintenance personnel, this being a facet of local government that had always held his keen interest.

Jim Harwood's municipal service began in 1935 when he was elected councillor in the old Municipal District of Bow Valley; and continued without interruption until his resignation in 1963. He served as reeve from 1939 to 1958 and as a member of the Western Irrigation District for ten years. In addition, he was an active member of the Strathmore Curling Club, a director of the Strathmore Seed Plant and the local mutual telephone company. In the early years of his work on council, Mr. Harwood helped in negotiations which resulted in taking over the Western Irrigation District from the C.P.R. This irrigation district has served a large number of farmers within the present County of Wheatland for the past twenty years. He was also active in local feeder associations and played a leading role in organizing the Western Meadowbrook and Acme Feeder Associations.

Mr. Harwood was born just east of Namaka in 1897. At the age of seven he moved with his parents to a farm three miles west of Strathmore. He farmed extensively in the district until selling out shortly before his retirement. Of Mr. and Mrs. Harwood's six children, one was killed in military action. (F.M.) ●

WITH DEPARTMENT FROM 1920 to 1953

## VETERAN EMPLOYEE PASSES

A veteran of thirty-three years with the Department of Municipal Affairs, George Edward Schell died March 11 after a long illness. He is survived by his wife, Ann, and their three sons: Douglas, a chemist in Ontario; Wilbert, with the Provincial Audit Department, and Sydney, an aircraft technician in Edmonton. Mr. Schell was in his 71st year. Born in Calgary, he was raised in the Spruce Grove district.

Enlisting in the 66th Battalion in 1916, Mr. Schell was wounded at Vimy Ridge the following year. He returned to Edmonton and in 1920 entered government service with the Department of Municipal Affairs as a clerk in the General Office. Serving a term in 1942 as president of the War Amputations of Canada, Mr. Schell lived in Edmonton after his retirement in 1953. ●

### 1964 - 65 BUDGET APPROVED

(From Page 5)

over a revised estimate for the current year.

There is to be an increase of \$8,000,000 in contributions to the School Foundation Fund, \$2,830,000 in highways grants and \$1,500,000 in unconditional grants. Indirect assistance, which includes hospitals and medical care, will be increased by \$6,450,082. There is a decrease in the estimate for school construction grants because most of the technical schools planned have now been completed.

Total assistance to municipalities for the fifteen year period ending March 31, 1965 will amount to \$1,376,024,390, while a total of \$296,926,000 has been loaned to local authorities. For comparisons sake it is interesting to note that a projection of our total oil revenues from sales, royalties and rentals to the end of next year is \$1,625,000, - 000. ●

## EARLY DAYS of CARBON

(From Page 1)

the highest water ever known on the Kneehills Creek. There were no bridges on the creek at that time and high water claimed the lives of quite a few people. Rev. Woods, the first minister in the district, was drowned at the Elliott Ranch in the big flood of 1902. That same year J. Hamilton's father and Andrew Walker's son were drowned while attempting to cross the Creek during the spring break-up. This accident took place near where the bridge now crosses the creek on Highway 21.

Homesteaders came during the years 1904-05-06 and those on the west side of the Red Deer River and some as far as the Ghost Pine Creek got their mail at Carbon. Carbon Post Office, named by Rancher John Meecham Borgart, was opened on October 1, 1904. Also about this time, the Knee Hill Coal Company was formed and the mine known as the Company Mine opened.

The survey of the townsite of Carbon was undertaken about 1905 by Land Surveyor A. P. Patrick. The Carbon Hotel was built by Baird and Birch in 1905, and an addition added in 1911.

As the settlement of Carbon grew, so the need of a school was recognized. On December 10, 1904, a meeting was held to discuss the formation of a school district. An application was prepared stating that there were twenty-one children in the district between the ages of five and sixteen, and thirteen below the age of five. The documents were mailed to the Commissioner of Education at Regina and the date of the order establishing Carbon School District No. 1218 was March 1, 1905. In 1905 a school was built at the cost of \$750 and in July of the same year Miss N. Hunter (Mrs. James Ramsay) was appointed teacher, salary \$45 per month.

In 1909 another school was built, followed in 1926 by the construction of a four-room brick school. In January, 1949, the Carbon School District was absorbed by the Drumheller School Division, and later by the Three Hills School Division No. 60.

First enquiry in regard to incorporating Carbon as a village was in a letter dated December 10, 1909, signed by Thomas J. Bishop. The request was turned down at the time as the area contained only 16 dwelling places and the Village Act required "25 dwelling places in a maximum area of 640 acres". However, on February 23, 1912, a meeting of the Carbon Board of Trade instructed William English, Manager of the Union Bank, to proceed with a petition to form a village as they now had 35 dwelling houses in an area of 500 acres.

An election was held on July 2, 1912, as a result of which Wilfred Poxon (37 votes), Thomas James Bishop (32 votes) and A. J. MacLeod (31 votes) became the first council of the new village. The first meeting of the council was held on July 15, 1912, at which Mr. MacLeod was elected Chairman and T. A. Walker was appointed secretary-treasurer . . . all this in spite of an oversight through which the formation of the new village was not officially proclaimed until November 18 of that year.

In January of 1913, H. N. Elliott took over as secretary-treasurer of the village and of the school district as well as constable for the village at a salary of \$200 per annum. Losing no time in getting down to business, he mailed forms to all property owners requesting (in his capacity as assessor) "the value of lands occupied or owned, personal property, book accounts, debts, stock in trade, cattle, horses, etc., machinery and wagons within ten days of February 1 or be liable to a fine up to \$50.00". There is no indication on file than any such fines were paid.

o From an article by Stan Torrance

### BASIC PRINCIPLES OF BUDGETING IN ALBERTA

- o To balance revenues and expenditures;
- o To turn unanticipated surplus revenues into sound reserves;
- o To make these reserves serve the needs of our people and our municipalities and earn modest returns to add to future revenues;
- o To establish the credit of our Province as number one in our Dominion;
- o To create an economic climate attractive to free and competitive enterprise;
- o To extend to every Albertan the ever-broadening educational opportunities of our age;
- o To challenge ill health at every level with the best medical service available in our times;
- o To guarantee to all unfortunates the basic physical needs in keeping with our economy and our rising standards of living;
- o To make our heritage of resources contribute to our economic well-being in the most realistic manner consistent with good conservation practice.

o Hon. E. W. Hinman's Budget Speech